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EX PARTE OR LATE FILED

July 28, 1993

**EX PARTE**

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

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JUL 28 1993

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

RE: CC Docket No. 93-162

Today, Bell Atlantic is filing the attached written ex-parte in response to the July 21, 1993 MFS Communication Company, Inc. letter to the FCC Commissioners. Please include this letter and attachments into the record as appropriate.

Sincerely,

*Maureen Keenan*

cc: Chairman James H. Quello  
Commissioner Andrew C. Barrett  
Commissioner Ervin S. Duggan  
Kathleen B. Levitz, Common Carrier Bureau  
Gregory B. Weiss, Common Carrier Bureau  
James D. Schlichting, Common Carrier Bureau  
Gregory J. Vogt, Common Carrier Bureau

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Edward D. Young, III.  
Vice President - Federal Regulatory  
and Associate General Counsel

EX PARTE OR LATE FILED

July 28, 1993

Hon. James H. Quello, Chairman  
Hon. Andrew C. Barrett, Commissioner  
Hon. Ervin S. Duggan, Commissioner  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Dear Commissioners:

Sadly, the letter dated July 21, 1993 from Royce J. Holland, President of MFS Communications Company, Inc. ("MFS"), brings the level of ex parte discourse before this Commission to a new low. MFS's letter uses the Commission's liberal ex parte

it tentatively rejected. Based on those tentative assessments, the Bureau required some interim adjustments -- to Bell Atlantic's tariff and to other Tier 1 local exchange carrier ("LEC") tariffs -- and designated all of the tariffs for investigation. In addition, after discussions with the Bureau staff, Bell Atlantic voluntarily revised portions of its rate structure to bring it closer to that filed by some other LECs. Mr. Holland's letter, therefore, blatantly misrepresents the state of the Commission's proceedings by attacking a filing that has been twice superseded rather than addressing the filing currently before the Commission.

Second, Mr. Holland's dominant theme -- that Bell Atlantic's collocation rates are far and away the highest -- is demonstrably false. In fact, as Attachment A shows quite clearly, many of Bell Atlantic's collocation rates are among the lowest. MFS appears to have deliberately chosen to ignore this fact, even though these rates were publicly filed before the date of MFS's letter.

Third, MFS repeats its cynically distorted claim that Bell Atlantic's collocation rates exceed the prices Bell Atlantic charges its retail customers. As Bell Atlantic has already graphically shown the Bureau, this claim -- advanced by MFS and certain other competitive access providers (CAPs) -- is tantamount to a deliberate lie. In response to petitions against its tariff, Bell Atlantic showed that the CAPs' "analysis" reaches this conclusion only by comparing collocation rates and retail rates for completely different services and completely different terms of service. That showing, adjusted for the current rates, is reproduced in Attachment B. This kind of calculated distortion has no place in the discourse before this Commission.

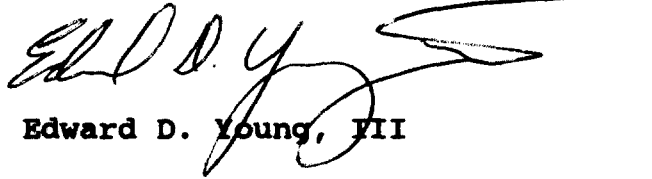
Finally, MFS even misrepresents the obsolete figures on which it relies:

- It quotes a single high real estate rate for one central office -- which Bell Atlantic admitted was an administrative error and corrected over four months ago.
- It deliberately misrepresents Bell Atlantic's method of equitably allocating central office preparation charges among successive collocators, claiming that the first collocator pays a disproportionate share. In fact, as is evident on the most cursory reading of the proposed tariff, all collocators will pay an equal share of these common costs.

- It argues that Bell Atlantic's central office reconfiguration charges are excessive, citing charges for a few unusual central offices that Bell Atlantic has already stated on the record are atypical -- as if they were representative. It further misstates by over 50% Bell Atlantic's tariffed cage construction charges.
- It claims the Commission "found several obvious instances of double-counting and improper cost recovery on the face of Bell Atlantic's tariff filing." This refers to overhead loadings that the Commission required all LECs to adjust

Please do not hesitate to contact me if I can provide any further information on these matters.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'E.D. Young', with a long, sweeping horizontal line extending to the right.

Edward D. Young, VII

**Enclosures**

cc: William F. Caton, Acting Secretary  
Kathleen B. Levitz, Common Carrier Bureau  
Gregory A. Weiss, Common Carrier Bureau  
James D. Schlichting, Common Carrier Bureau  
Gregory J. Vogt, Common Carrier Bureau  
Royce J. Holland, MFS Communications Company, Inc.

**SURVEY AND RANKING OF COLLOCATION CHARGES  
(RATES FILED AS OF JULY 16, 1993)**

<b>DS1 CROSS CONNECT – MONTHLY RATE</b>	
<b>SOUTHWESTERN</b>	<b>\$4.64</b>
<b>NYNEX</b>	<b>\$5.96</b>
<b>PACIFIC</b>	<b>\$7.73</b>
<b>BELLSOUTH</b>	<b>\$7.92</b>
<b>BELL ATLANTIC</b>	<b>\$13.02</b>
<b>AMERITECH</b>	<b>\$13.97</b>
<b>US WEST</b>	<b>\$21.63</b>

<b>DS3 CROSS CONNECT – MONTHLY RATE</b>	
<b>SOUTHWESTERN</b>	<b>\$46.33</b>
<b>BELL ATLANTIC</b>	<b>\$54.57</b>
<b>AMERITECH</b>	<b>\$57.99</b>
<b>BELLSOUTH</b>	<b>\$68.41</b>
<b>NYNEX</b>	<b>\$74.53</b>
<b>PACIFIC</b>	<b>\$79.83</b>
<b>US WEST</b>	<b>\$246.97</b>

<b>AVERAGE ANNUAL RENT PER SQ. FOOT</b>	
<b>SOUTHWESTERN</b>	<b>\$18</b>
<b>BELL ATLANTIC</b>	<b>\$25</b>
<b>NYNEX</b>	<b>\$42</b>
<b>BELLSOUTH</b>	<b>\$55</b>
<b>US WEST</b>	<b>\$73</b>
<b>AMERITECH</b>	<b>\$88</b>
<b>PACIFIC</b>	<b>\$93</b>

<b>DC POWER PER 20 AMPS – MONTHLY RATE</b>	
<b>NYNEX</b>	<b>\$151</b>
<b>AMERITECH</b>	<b>\$160</b>
<b>BELLSOUTH</b>	<b>\$174</b>
<b>US WEST</b>	<b>\$203</b>
<b>PACIFIC</b>	<b>\$296</b>
<b>SOUTHWESTERN</b>	<b>\$311</b>
<b>BELL ATLANTIC</b>	<b>\$339</b>

<b>SERVICE ORDER/APPLICATION FEE – NRC</b>	
<b>NYNEX</b>	<b>NA</b>
<b>PACIFIC</b>	<b>NA</b>
<b>AMERITECH</b>	<b>\$531</b>
<b>SOUTHWESTERN</b>	<b>\$1,563</b>
<b>BELL ATLANTIC</b>	<b>\$3,640</b>
<b>BELLSOUTH</b>	<b>\$4,490</b>
<b>US WEST*</b>	<b>\$19,765</b>
<b>* U S WEST fee calculated at 60% of cage NRC (\$32,942 * 60% = \$19,765). The balance of cage enclosure due at completion of project.</b>	

**COLLOCATION SERVICE CHARGES****COLLOCATOR PROFILE**

Collocators per central office	1
DS1 equivalent circuits per collocator	100
Recovery of NRCs*	5 yrs., 10% interest
Estimated C.O. construction charges	\$6,238
-- 100 ft nonstandard cage	\$5,000
-- 1 light fixture	\$853
-- 1 AC outlet	\$385

**RECURRING CHARGES**

	<b>Tariff Rate</b>	<b>Unit</b>	<b>Total Charge</b>	<b>Monthly Rate / DS1</b>
DS1 Cross-Connect	\$1.78	1	\$1.78	\$1.78
DS1 Physical Service	\$11.24	1	\$11.24	\$11.24
Occupancy Fee / sq. ft.	\$2.05	100	\$205.00	\$2.05
DC Power / 10 amps	\$169.30	2	\$338.60	\$3.39
Cable Support Fee / cable	\$293.75	1	\$293.75	\$2.94



**COLLOCATION SERVICE CHARGES****COLLOCATOR PROFILE**

Collocators per central office	1
DS1 equivalent circuits per collocator	100
Recovery of NRCs*	5 yrs., 10% interest
Estimated C.O. construction charges	\$6,238
-- 100 sq. ft standard	\$5,000
-- 1 light fixture	\$853
-- 1 AC outlet	\$385

**RECURRING CHARGES**

	Tariff Rate	Unit	Total Charge	Monthly Rate / DS1
DS3 Cross-Connect	\$27.00	4	\$108.00	\$1.08
DS3 Physical Service	\$27.57	4	\$110.28	\$1.10
DS3/DS1 Multiplexer	\$525.00	4	\$2,100.00	\$21.00
Occupancy Fee / sq. ft.	\$2.05	100	\$205.00	\$2.05
DC Power / 10 amps	\$169.30	2	\$338.60	\$3.39
Cable Support Fee / cable	\$293.75	1	\$293.75	\$2.94
Network Cable Rack per svc per foot (100 ft * 100)	\$0.13	10000	\$1,300.00	\$13.00
<i>Recurring Total</i>				<u>\$44.56</u>

**NONRECURRING CHARGES**

	Tariff Rate	Monthly Payment**	Monthly Rate / DS1
Design and Planning Fee	\$3,640.00		
Cable Installation	\$498.00		
Central Office Construction (estimate)	\$6,238.00		
<i>Nonrecurring Total</i>	\$10,376.00	\$220.46	<u>\$2.20</u>
<b>Total Monthly Charge / DS1</b>			<u><b>\$46.76</b></u>

**COLLOCATION AND SPECIAL ACCESS RATE COMPARISON**

<u>Month to Month Rate</u>	Tariff Rate	Rate per DS1
DS3C Channel Termination (CT) Rate (m/m)	\$9,908.35	\$99.08
DS3 CT Rate (m/m)	\$3,669.76	\$36.70
DS3/DS1 Mux (4 required)	\$525.00	\$21.00
<i>Total</i>		<u>\$156.78</u>
DS3 Collocation Service (X-Connect) Rate		\$46.76
Percent of X-Connect Rate to CT Rate		<u><b>29.83%</b></u>
<u>5 Year Rate</u>		
DS3C Channel Termination (CT) Rate (5 yr)	\$4,155.00	\$41.55
DS3 CT Rate (5 yr)	\$1,900.00	\$19.00
DS3/DS1 Mux (4 required)	\$525.00	\$21.00
<i>Total</i>		<u>\$81.55</u>
DS1 Collocation Service (X-Connect) Rate		\$46.76
Percent of X-Connect Rate to CT Rate		<u><b>57.34%</b></u>

\* NRCs exclude installation charges which apply equally to CTs and X-Connects.

\*\* Monthly payment schedule is based on a 5 year payoff @ 10% interest expense.